

Health Coverage in Montana

2016 Report on Health Coverage and Montana's Uninsured

Montana's Uninsured Rate Cut in Half

The Office of the Commissioner of Securities and Insurance (CSI) found that the 2016 uninsured rate is approximately 7.4 percent. This rate has been reduced by more than half in just 3 years, down from 20 percent in 2012. Approximately 957,000 Montanans have health coverage; 76,000 still do not have coverage.

Historic Access to Coverage

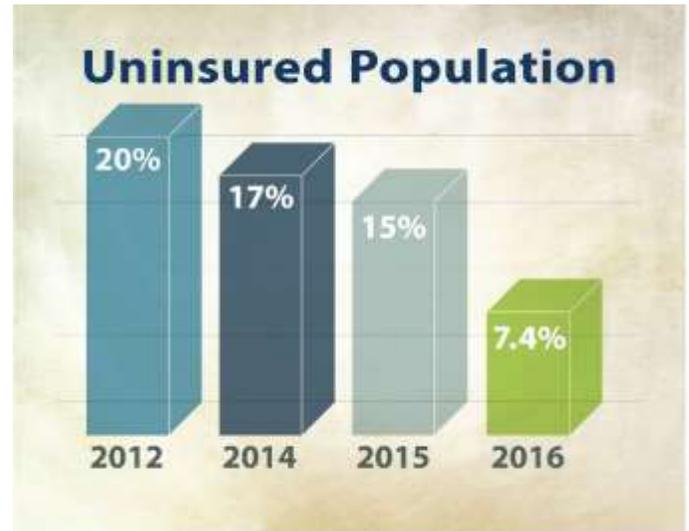
The CSI tracks Montana's uninsured rate annually through surveys, reports, and data collection.

In the first two years after the implementation of the Affordable Care Act, Montana's uninsured rate dropped 5 percent.

In 2012, the CSI found approximately 195,000 Montanans did not have health coverage, about 20% of the population. This study was commissioned by CSI and conducted by the University of Montana, Bureau of Business and Economic Research (BBER).

In the spring of 2014, the CSI surveyed health insurers and Medicaid and found the uninsured population decreased to 16.9 percent. The same survey conducted in 2015 reported the uninsured rate at 15 percent. These decreases were the result of growth in the individual health insurance (exchange) market, Medicaid, and CHIP (Healthy Montana Kids—HMK).

A 5 percent decrease in the uninsured rate in two years was significant, however many of the uninsured lacked access to affordable health coverage because they fell into the "Medicaid Gap." An estimated 70,000 Montanans fell into the gap because they made too much to qualify for traditional Medicaid but not enough to qualify for tax assistance through the exchange. Premium tax credits are only available for individuals between 100 and 400 percent FPL.



2016 Uninsured Study

In 2016, the CSI re-reviewed the work done by BBER and updated the data used to project Montana's uninsured rate. Montana's current uninsured rate is approximately 7.4 percent.

Two of the primary factors in the dramatic decline in Montana's uninsured were growth in Medicare and Medicaid. Medicare grew to approximately 201,000. Medicaid grew to 193,231, of which 44,114 were enrolled in coverage because of Medicaid expansion (HELP Plan) as of April 30, 2016. The CSI subtracted 15,587 individuals who are dually enrolled in Medicare and Medicaid.

2016 Individual Insurance Market

At the end of 2012, the individual health insurance market had 53,739 covered lives. In April 2016, the individual market had 80,619 covered lives. There was a slight decrease in individual market enrollment from 2015 which can primarily be attributed to individuals qualifying for HELP Plan coverage. Approximately 7,000 individuals between 100 percent FPL and 138 percent migrated from individual health coverage to HELP Plan coverage.

In 2012, there were only two insurers with a market share of more than 4 percent in the individual market. In 2016, there are three health insurers in the individual market with a market share of 10 percent or more.

52,358 individuals bought health insurance through the exchange in 2016. This represents 65 percent of covered lives in the individual market.

Of the individuals purchasing health insurance through the exchange, 86 percent qualified for a federal premium tax credit and 48 percent qualified for cost sharing reductions.

Looking at the total individual market, on and off exchange, 59 percent qualified for a tax credit in 2016. This is an increase from 50 percent in 2015. 33 percent of the total individual market qualified for cost sharing reductions.

2016 Small Group Insurance Market

In 2012, the small employer group health insurance market had approximately 54,500 covered lives. In 2016, there are 48,333 covered lives. This is an 8 % increase over 2015.

The small group market declined after the 2014 reforms “guaranteed” that individuals be eligible for coverage in the individual market. In addition to guaranteed availability, health status discrimination and pre-existing condition exclusions were eliminated. For many people, premium tax credits made individual coverage more affordable. Consequently, many small, family-owned businesses made the decision to purchase through the individual market.

In 2012, there were four health insurers with a market share over 4 percent. In 2016, there are two health insurers with a market share over 10

percent and three insurers with a smaller market share that are actively marketing small group health plans in Montana.

Aggregate Market Data

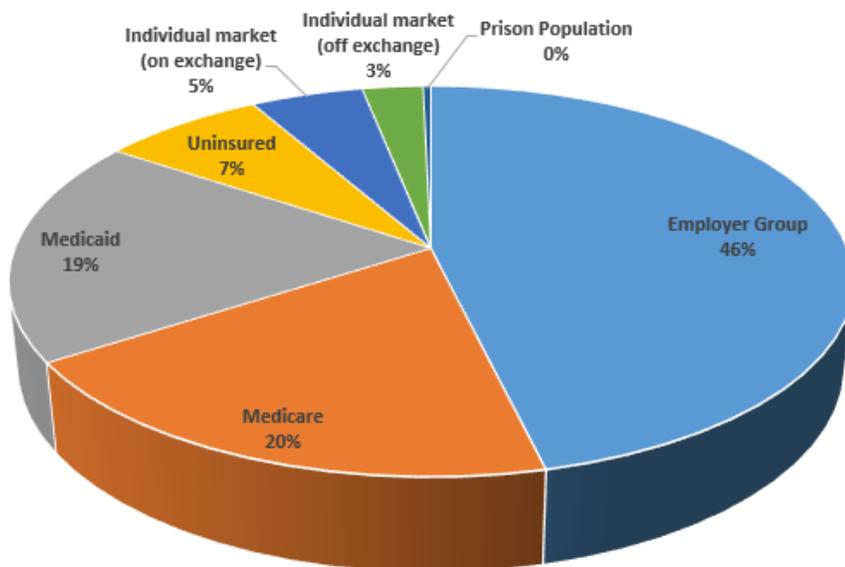
Detailed information about individual and small group health insurance coverage has been broken out into the following categories: age groups, rating areas, metal levels and cost sharing reduction plans (income levels). It can be found at csimt.gov/issues-reports/montanas-uninsured/.

In the individual market, silver plans were most popular on exchange and bronze plans were the most popular plan off exchange. In the small group market, silver plans were the most popular, followed by gold plans.

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2016 Health Coverage

Employer Group	478,000
Medicare	201,000
Medicaid	193,231
Uninsured	76,000
Individual market (on exchange)	52,358
Individual market (off exchange)	28,261
Prison Population	3,642



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